

# 2012 Warren County Property Tax Report with Comparison to 2011

Legislative Services Agency

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This report describes property tax changes in Warren County between 2011 and 2012. In 2012 tax changes in each county were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. In 2012, for the first time in years, tax bill changes were not affected by statewide policy changes. The big 2008 tax reform was fully phased in by 2011. There were some statewide trends. The effects of the Great Recession lingered in many counties, depressing assessed value growth. Taxes in rural counties were affected by a large increase in farmland assessed values.

In Warren County the average tax bill for all taxpayers increased 1.6%. This tax bill rise was the result of a 2.3% increase in the total levy of all local government units and a 10.3% increase in certified net assessed value. Agricultural and business assessments increased the most, but other assessed values rose as well. Net assessed value growth exceeded the levy increase, so the average tax rate decreased. Tax rates fell in all taxing districts. Tax cap credits as a share of the levy fell 0.2%. Warren County tax rates are so low that few taxpayers qualify for tax cap credits.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2012	1.6%	\$7,778,019	\$553,348,555	0.1%
Change		2.3%	10.3%	-0.2%
2011	3.1%	\$7,606,546	\$501,772,654	0.3%

## Homestead Property Taxes

Homestead property taxes decreased 5.9% on average in Warren County in 2012. Tax rates fell in all Warren County tax districts, and the county average tax rate decreased by 7.3%. Warren County's local property tax credit rate rose slightly in 2012. Warren County's low tax rates and its local property tax credits mean that few homesteads qualify for tax cap credits. The percentage of homesteads at their tax caps decreased from 0.4% in 2011 to 0.1% in 2012.

## Net Tax Bill Changes - All Property Types

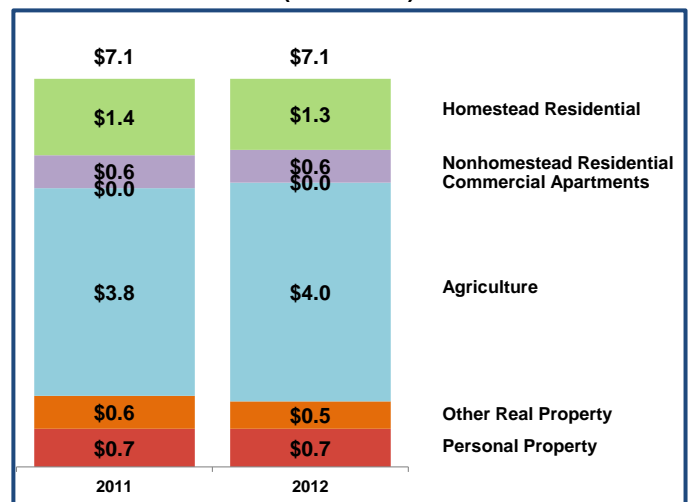
More than half of Warren County's 2012 net property taxes were paid by owners of agricultural property. Net tax bills for all taxpayers increased 1.6% in Warren County in 2012. Net taxes were higher on agricultural property and business equipment (personal property), but lower on all other property categories. Commercial apartments saw the largest decrease.

## Comparable Homestead Property Tax Changes in Warren County

	2011 to 2012	
	Number of Homesteads	% Share of Total
<b>Summary Change in Tax Bill</b>		
Higher Tax Bill	423	16.0%
No Change	91	3.4%
Lower Tax Bill	2,125	80.5%
<b>Average Change in Tax Bill</b>	<b>-5.9%</b>	
<b>Detailed Change in Tax Bill</b>		
20% or More	133	5.0%
10% to 19%	74	2.8%
1% to 9%	216	8.2%
0%	91	3.4%
-1% to -9%	1,424	54.0%
-10% to -19%	564	21.4%
-20% or More	137	5.2%
<b>Total</b>	<b>2,639</b>	<b>100.0%</b>

Note: Percentages may not total due to rounding.

## Comparison of Net Property Tax by Property Type (In Millions)



## Tax Rates, Levies, and Assessed Values

Property tax rates decreased in all Warren County tax districts. The average tax rate fell by 7.3%, because a small levy increase was offset by a much larger increase in net assessed value.

Levies in Warren County increased by 2.3%. The largest levy increase was in the county unit, mostly due to an increase in the general fund. Steuben Township experienced decreases in its fire, general, and township assistance funds.

Warren County's total net assessed value increased 9.6% in 2012. Agricultural net assessments rose 13.2%. The large increase in agricultural assessed value was due to the 16% increase in the base rate assessment of farmland, from \$1,290 to \$1,500 per acre for taxes in 2012. Business assessments increased substantially. Homestead and other residential assessments also increased.

Property Type	Gross AV 2011	Gross AV 2012	Gross AV Change	Net AV 2011	Net AV 2012	Net AV Change
Homesteads	\$275,719,696	\$278,101,200	0.9%	\$105,992,500	\$107,974,958	1.9%
Other Residential	38,070,900	38,989,600	2.4%	37,574,660	38,452,300	2.3%
Ag Business/Land	284,976,500	322,524,710	13.2%	283,601,205	321,052,785	13.2%
Business Real/Personal	92,626,444	99,357,257	7.3%	75,286,275	83,114,077	10.4%
<b>Total</b>	<b>\$691,393,540</b>	<b>\$738,972,767</b>	<b>6.9%</b>	<b>\$502,454,640</b>	<b>\$550,594,120</b>	<b>9.6%</b>

Net AV equals Gross AV less deductions and exemptions · Tax rates are calculated on Net AV · Circuit breaker tax caps are calculated on Gross AV

## Tax Cap (Circuit Breaker) Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

Total tax cap credits in Warren County were \$6,269, or 0.1% of the levy. This was much less than the state average percentage of the levy of 9.2% and much less than the median value of 3.2% among all counties. Tax rates are the main determinant of tax cap credits, and Warren County's tax rates are well below the state median. Warren County also has substantial local property tax credits, which further reduce tax bills.

Total tax cap credits were divided among the 1% homestead category, the 2% nonhomestead/farmland category, and the elderly category, which limits tax bill increases on homes owned by people 65 and over to 2% per year. The largest percentage loss was in the town of Pine Village, where district tax rates were above \$2 per \$100 assessed value. The largest dollar losses were in the Warren County School Corporation and the county unit, but no Warren County local government saw large revenue losses to tax cap credits.

## Tax Cap Credits by Category

Tax cap credits decreased in Warren County in 2012 by \$13,871, or 68.9%. The percentage of the levy lost to credits fell by 0.2%. There were no major changes in state policy to affect tax cap credits in 2012. Warren County credits decreased mainly because district tax rates decreased.

Tax Cap Category	2011	2012	Difference	% Change
1%	\$2,622	\$1,905	-\$717	-27.4%
2%	13,645	1,992	-11,652	-85.4%
3%	0	0	0	0.0%
Elderly	3,873	2,371	-1,502	-38.8%
<b>Total</b>	<b>\$20,140</b>	<b>\$6,269</b>	<b>-\$13,871</b>	<b>-68.9%</b>
<b>% of Levy</b>	<b>0.3%</b>	<b>0.1%</b>		<b>-0.2%</b>

### Warren County Levy Comparison by Taxing Unit

Taxing Unit	2008	2009	2010	2011	2012	% Change			
						2008 - 2009	2009 - 2010	2010 - 2011	2011 - 2012
County Total	11,023,355	7,606,423	7,564,504	7,606,546	7,778,019	-31.0%	-0.6%	0.6%	2.3%
State Unit	11,890	0	0	0	0	-100.0%			
Warren County	2,874,466	2,827,387	2,794,597	2,783,333	2,901,760	-1.6%	-1.2%	-0.4%	4.3%
Adams Township	15,670	15,869	15,886	15,737	16,819	1.3%	0.1%	-0.9%	6.9%
Jordan Township	14,970	15,250	14,924	14,849	14,859	1.9%	-2.1%	-0.5%	0.1%
Kent Township	18,307	16,566	16,539	9,224	9,258	-9.5%	-0.2%	-44.2%	0.4%
Liberty Township	17,628	17,330	17,432	17,331	18,010	-1.7%	0.6%	-0.6%	3.9%
Medina Township	14,319	14,100	13,883	13,748	13,917	-1.5%	-1.5%	-1.0%	1.2%
Mound Township	23,341	23,156	22,762	22,532	18,180	-0.8%	-1.7%	-1.0%	-19.3%
Pike Township	10,301	10,090	10,182	10,097	10,091	-2.0%	0.9%	-0.8%	-0.1%
Pine Township	29,530	28,765	28,725	28,674	29,012	-2.6%	-0.1%	-0.2%	1.2%
Prairie Township	9,788	9,742	9,745	9,653	10,030	-0.5%	0.0%	-0.9%	3.9%
Steuben Township	17,691	17,809	17,932	17,750	1,975	0.7%	0.7%	-1.0%	-88.9%
Warren Township	9,412	9,196	9,299	9,199	9,175	-2.3%	1.1%	-1.1%	-0.3%
Washington Township	36,579	36,041	36,315	35,967	36,239	-1.5%	0.8%	-1.0%	0.8%
Pine Village Civil Town	37,525	36,668	36,019	35,680	37,169	-2.3%	-1.8%	-0.9%	4.2%
State Line City Civil Town	22,452	21,783	21,356	21,168	21,329	-3.0%	-2.0%	-0.9%	0.8%
West Lebanon Civil Town	110,097	105,121	106,281	107,201	105,884	-4.5%	1.1%	0.9%	-1.2%
Williamsport Civil Town	219,710	222,597	237,193	215,704	225,117	1.3%	6.6%	-9.1%	4.4%
Benton Community School Corp	1,322,534	825,784	830,268	733,934	764,811	-37.6%	0.5%	-11.6%	4.2%
Covington Community School Corp	432,867	277,733	371,988	357,478	375,169	-35.8%	33.9%	-3.9%	4.9%
M.S.D. Warren County School Corp	5,416,496	2,754,530	2,637,148	2,834,489	2,839,750	-49.1%	-4.3%	7.5%	0.2%
West Lebanon Public Library	120,544	90,351	90,603	93,759	89,331	-25.0%	0.3%	3.5%	-4.7%
Williamsport Public Library	114,868	115,564	113,701	108,147	118,358	0.6%	-1.6%	-4.9%	9.4%
Warren County Solid Waste	122,370	114,991	111,726	110,892	111,776	-6.0%	-2.8%	-0.7%	0.8%

### Warren County 2012 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	LOIT PTRC	Credit Rates				LOIT Residential	Net Tax Rate, Homesteads
				COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead		
86001	Adams Township	1.2649	4.6588%	--	8.0338%	--	--	--	1.1044
86002	Pine Village (Adams)	2.1936	4.6588%	--	0.8624%	--	--	--	2.0725
86003	Jordan Township	1.2534	4.6588%	--	28.6568%	--	--	--	0.8358
86004	Kent Township	1.2652	4.6588%	--	7.6043%	--	--	--	1.1100
86005	State Line (Kent)	1.7630	4.6588%	--	61.3129%	--	--	--	0.5999
86006	Liberty Township	1.2525	4.6588%	--	10.3195%	--	--	--	1.0649
86007	Medina Township	1.3476	4.6588%	--	1.8865%	--	--	--	1.2594
86008	Mound Township	1.6459	4.6588%	--	13.1197%	--	--	--	1.3533
86009	Pike Township	1.4914	4.6588%	--	3.6754%	--	--	--	1.3671
86010	West Lebanon (Pike)	2.0975	4.6588%	--	24.9788%	--	--	--	1.4759
86011	Pine Township	1.2944	4.6588%	--	2.6834%	--	--	--	1.1994
86012	Prairie Township	1.3306	4.6588%	--	30.8055%	--	--	--	0.8587
86013	Steuben Township	1.2276	4.6588%	--	3.8867%	--	--	--	1.1227
86014	Warren Township	1.2468	4.6588%	--	1.0081%	--	--	--	1.1761
86015	Washington Township	1.4726	4.6588%	--	12.7355%	--	--	--	1.2165
86016	Williamsport	1.9132	4.6588%	--	4.1148%	--	--	--	1.7453
86017	Liberty Williamsport	1.7140	4.6588%	--	--	--	--	--	1.6341

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

### Warren County 2012 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total		
<i>Non-TIF Total</i>	1,905	1,992	0	2,371	6,269	7,778,019	0.1%
<i>TIF Total</i>	0	0	0	0	0	3,797	0.0%
<i>County Total</i>	1,905	1,992	0	2,371	6,269	7,781,816	0.1%
Warren County	546	476	0	794	1,817	2,901,760	0.1%
Adams Township	0	14	0	0	14	16,819	0.1%
Jordan Township	0	0	0	2	2	14,859	0.0%
Kent Township	0	0	0	2	2	9,258	0.0%
Liberty Township	0	0	0	1	1	18,010	0.0%
Medina Township	0	0	0	0	0	13,917	0.0%
Mound Township	0	0	0	15	15	18,180	0.1%
Pike Township	8	0	0	10	18	10,091	0.2%
Pine Township	0	0	0	2	2	29,012	0.0%
Prairie Township	0	0	0	1	1	10,030	0.0%
Steuben Township	0	0	0	1	1	1,975	0.0%
Warren Township	0	0	0	4	4	9,175	0.0%
Washington Township	36	0	0	10	46	36,239	0.1%
Pine Village Civil Town	0	866	0	0	866	37,169	2.3%
State Line City Civil Town	0	0	0	25	25	21,329	0.1%
West Lebanon Civil Town	0	0	0	96	96	105,884	0.1%
Williamsport Civil Town	392	0	0	105	497	225,117	0.2%
Benton Community School Corp	0	0	0	58	58	764,811	0.0%
Covington Community School Corp	0	0	0	319	319	375,169	0.1%
M.S.D. Warren County School Corp	707	617	0	771	2,095	2,839,750	0.1%
West Lebanon Public Library	48	0	0	85	133	89,331	0.1%
Williamsport Public Library	146	0	0	39	185	118,358	0.2%
Warren County Solid Waste	21	18	0	31	70	111,776	0.1%
TIF - Pike TIF	0	0	0	0	0	3,797	0.0%
TIF - West Lebanon TIF	0	0	0	0	0	0	

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

#### Circuit Breaker Credit Types:

*Homesteads* are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

*Other Residential/Farmland* includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

*All Other Real/Personal* is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

*Elderly* includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.